GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:610
ANSWERED ON:21.11.2001
BHARAT SANCHAR NIGAM LIMITED
BHARTRUHARI MAHTAB

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether on account of the introduction of new telecom tariff BSNL has incurred heavy loss of revenue;

(b) if so, the details thereof;

(c) whether the new tariff would affect the tele-density in the country;

(d) if so, to what extent; and

(e) the future plan of action initiated to arrest loss of revenue and fall in tele-density?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) & (b): Yes, Sir. The reduction in revenue on account of new tariff, as announced by TRAI, for the year 2000-2001 is estimated at Rs. 3023 Crores.

Further with a view to promote the community of interest BSNL has reduced tariff for intra circle calls as a part of a package with effect from 26.1.2001 resulting in further drop in revenue by Rs. 250 Crores per annum.

The per DEL revenue from 1.4.1999 to 1.4.2001 has declined by 14.59% i.e. from Rs. 777.99 to Rs. 664.47 per month.

(c) & (d): Though the investible surplus of the BSNL has decreased on account of reduction in tariff, BSNL is making all efforts to achieve the targets of teledensity by even borrowing funds from the market.

(e) The future plan includes:

i) Introduction of new services such as Cellular Mobile, WLL, Internet, etc.
ii) Funding of Rural DELs, VPTs and other uneconomic DELs by means of appropriate financial support/UNIVERSAL SERVICE FUND.

iii) Increase in Traffic on account of lower call charges.